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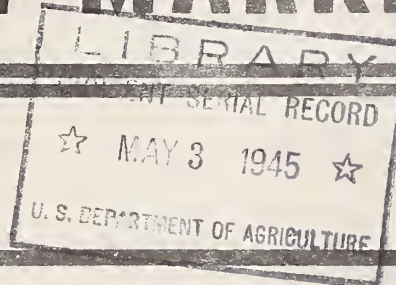
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Foreign Crops and MARKETS



VOLUME 49



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PRODUCTION FOR AN EXPANDED MARKET

All our thoughts, in America as elsewhere, are centered now on the great events impending. In the tenseness of this hour, it is appropriate to restate our faith that hunger in the midst of plenty can eventually be abolished by all nations and that they can secure the abundance which will help to prevent future wars.

In the year since the first international food conference closed, the speeches and the meetings of the leaders of the United Nations, and the resolutions of the United States Senate and House of Representatives, looking toward international collaboration for an enduring peace, have given new hope for a world in which increased production and consumption of food will be possible.

The world's farmers by their remarkable deeds have added power to the words of democratic statesmen. Speaking for the farmers of the United States, I know that next to the day of victory itself, they, along with the farmers in other countries, are looking forward to a post-war period in which they can continue to produce abundantly for marketing in a world in which food is abundantly consumed.

Marvin Jones, U. S. War Food Administrator

ISSUED BY THE OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

A NEEDED SERVICE IN THE POST-WAR WORLD

With this issue, *Foreign Crops and Markets* in a more readable and attractive form resumes its regular weekly appearance. At the same time, the monthly summary issue, instituted shortly after Pearl Harbor in place of the regular weekly issue, is being discontinued. The occasion is not without significance, symbolic and otherwise. It marks the time when our war effort is nearing its climax, both on the military and agricultural fronts; and when - in a "new" and narrowed world where the word "foreign" has lost forever the meaning it held for preceding generations of Americans - the problems of peace are beginning to loom large and imminent.

Peace as well as war has its problems. And never before in all the recorded history of mankind, perhaps, has the world's agriculture faced greater ones. Never before have producers, handlers, distributors, and processors of American farm products been such an integral part of these problems.

Our farmers had hardly recovered from the economic effects of World War I before they were hit broadside by the depression of the 1930's. Then came Pearl Harbor and the sudden and imperative need for expanding their agricultural plant to feed our national war economy and a large part of that of the United Nations. Now in this new world, where, at least in such fields as transportation and communication, time and space have almost ceased to exist, they are face to face with the problem of readjusting their operations to domestic peacetime demands with little or no satisfactory knowledge of what these demands will be. What may prove to be of equal importance, they know considerably less about what to count on in the way of markets and of competition from their new world neighbors just over the back fence.

Frank to confess, we do not have all the answers either. We do not know what post-war agriculture is going to be like, either in this country or abroad. We do not know for sure what the main channels of international trade in agricultural products are going to be, or the terms and con-

ditions upon which the competitors are going to engage in it. We would not at this juncture venture a prophesy as to precisely where our best foreign markets are going to develop or who our keenest agricultural competitors are likely to be in all cases.

When, if ever, and under what conditions will Europe and other war-devastated areas of the world resume their normal agricultural operations and their usual peacetime purchases of United States agricultural surpluses? Will they grow the same crops and produce the same livestock products in the same quantities as before, or will their production patterns assume different shapes and proportions, involving substantial shifts on our own part? Will Latin America emerge finally as a leading competitor in the world field of tropical agricultural and forest production, or will the Far East with its cheap labor recapture its former place in the rubber, quinine, fiber, insecticide, spice, and beverage markets of the world? Or will synthetics black out much of the market for the products? How are rice growers and producers of vegetable fats and oils in this Hemisphere going to fare under pressure of renewed competition from the Far East?

Are the various governments going to aid their producers to make the difficult transition from a wartime to a peacetime economy? Can floors satisfactory to farmers be placed under the prices of the major farm

products in the surplus-producing countries of the world, without at the same time necessitating the use of export subsidies and import restrictions that may endanger the possibilities for an expanded world agricultural trade? What will these countries do, individually and collectively, to develop markets for themselves abroad and markets for others within their own borders? Or are the dangers of the old stay-at-home, live-at-home doctrine still unexploded?

We do not have all the answers to these and the many other imponderables that will face our agricultural producers and trades people in the months and years just ahead. But we do have the next best thing. It is a service through which we expect to keep the public informed and up-to-the-minute on all important spot agricultural developments as they occur the world over. With this information at hand our readers can in the truly democratic way form their own answers.

FOREIGN INFLUENCES ON POST-WAR EXPORTS OF AMERICAN COTTON

The most pertinent post-war question before the American cotton-growing industry today, perhaps, is that of competition with foreign production. What kind of competition will we encounter in foreign markets? How much cotton can foreign countries grow? What kind of cotton is it and what are the conditions under which it is grown and sold? Can we meet the price of foreign-grown cotton?

Unless we compete successfully with the grower of other countries with regard to quality and price, we may never succeed in rebuilding our export trade. No matter how favorable international trade policies may be, competition as to quality and price will be a dominating factor in our export trade.

There was a time when American cotton was about the only cotton to be had. After the war, spinners will be able to buy cotton of about the same quality in several foreign countries. For many years the increase in production of foreign cotton was gradual and largely unnoticed. During the past 15 or 20 years, however, foreign production has increased to the point where it is now a real, as well as a potential, competitor. From my observations in cotton-growing countries throughout the world, I am convinced that the people of foreign countries know how to grow and sell cotton.

There are large areas outside the United States where 40 years ago the commercial production of cotton was

unimportant. Today these areas are growing several million bales annually. An example of this development is Uganda, a British Protectorate in Central Africa. In about 1900, cotton was introduced in the country by a missionary. By 1915, production had reached about 25,000 bales and at the outbreak of the present war it had exceeded 350,000 bales.

During the past 40 years, corporations for the promotion of cotton production have been organized and put into operation in several parts of Africa. These organizations usually are sponsored by foreign spinners or by European governments that have colonial possessions. While some of them have been active for a long time, it is only in the past 15 or 20 years that the result of their work has become noticeable. They not only have promoted cotton growing but they have aided in the development of all kinds of improvements in the area in which they operate. They have stimulated the economic desires of the natives by introducing them to the advantages and

disadvantages of civilization. Today, there are thousands of natives throughout Central and West Africa growing cotton and trading it for the things the white man has taught them to want. Much of Africa is not adapted to cotton growing, but there are large areas in the Anglo-Egyptian Sudan, Uganda, the Belgian Congo, Nigeria, Tanganyika and the French territory of West Africa that will grow cotton. In total, they have added about a million bales of cotton to the world supply.

In Southern Brazil there is an area larger than the States of Louisiana, Arkansas, Oklahoma, and Texas, combined, where cotton can be grown. Of course, every acre in this area will not produce cotton, but on the whole it is as well adapted to cotton production as our cotton States. One State of Southern Brazil, Sao Paulo, which is as large as Oklahoma and half of Arkansas, is now harvesting a crop estimated at over 2 million bales. Being south of the Equator the seasons are the reverse of ours; they plant when we harvest and harvest when we plant. For several years, Sao Paulo has produced a yearly crop of over a million bales. In my opinion, this is the greatest potential cotton-producing area in the world, outside the United States. In the northern part of Argentina there is an area larger than Oklahoma where a few years ago very little cotton was grown. This season a crop of about 400,000 bales is being picked. This country is sparsely populated and conditions are not as favorable for production as in Sao Paulo; but it has possibilities, and as the population increases, it will become more important.

The point I am emphasizing is this: There is plenty of cotton land, actual or potential, outside the United States. The people who live on these lands or who may settle on them in the years to come will grow cotton. They

will grow American Upland cotton, which is the kind of cotton most foreign spinners want. They will offer it to the spinners who are using American cotton; and because of the conditions under which they live and work, they can offer it at a price below that at which American growers are willing to sell.

I won't say we cannot grow cotton as cheaply as foreign producers can but are we willing to live under the same conditions as thousands of foreign growers do just for the privilege of growing cheap cotton? I have seen the half-starved coolies of India work all day for a few handfuls of rice. I have seen the primitive people of Africa carry a bag of seed cotton on their heads for ten miles and sell it for about 3 cents a pound of lint. Consequently, we do not need to ask how cheaply foreigners will sell cotton. Our experience has answered that question for us.

For years prior to 1939, Canadian spinners used American-grown cotton almost entirely. With the outbreak of the war in August 1939, Canadian spinners began to buy Brazilian cotton. From August 1939 until September 1941 Canadian spinners bought approximately 550,000 bales of Brazilian cotton and very few bales of American cotton. They found Brazilian cotton grown from seed originated in the United States, ginned on gins manufactured in the United States, and sold by firms that had heretofore sold American cotton to be much cheaper than American. On October 1, 1942, American Middling 15/16 inch staple was worth 18.55 cents per pound in Memphis while Sao Paulo cotton landed in Canada cost 11.85, or 7 cents less than American at the point of origin. From September 1941 to March 1942 the average landed price of Sao Paulo cotton in Canada was 11.03 cents per pound. During this time our average farm price was about

17.03 cents. As a result, Brazil sold more than half a million bales of cotton to Canada, and we sold none. This is only one example of what price means to American growers.

I don't see anything to prevent foreign cotton from being offered in the post-war markets of the world, just as Brazilian cotton was offered in Canada from 1939 to 1941. When ships are again available, the exporters of foreign cotton will make every effort to sell it; and unless

we meet their price, we will sell little. There will be plenty of cotton in the world. Brazil has just harvested a crop estimated at more than 2 million bales. This is more than twice their domestic consumption, and will add more than a million bales to their carry-over this year. Most of this cotton is similar to American cotton and will be sold eventually in foreign markets in direct competition with American cotton.

P. K. Norris

MEXICAN FOOD SITUATION

Like that in a number of the United Nations which have made substantial sacrifices in the interest of the war effort, the food situation in Mexico since the beginning of the war has been rather tight. Contributing factors have been the greatly increased demands for foodstuffs as a result of increased employment and consumer purchasing power; competition for labor from mining, manufacturing, and other nonagricultural enterprises; shifts from production of basic food products to increased output of a number of strategic materials, which Mexico is supplying as a part of her contribution to the United Nation's war effort; and more recently the small corn crop of 1943.

In addition, some essential food products, especially corn, wheat, and sugar, have been scarce in many localities, not only because of the shortage in supplies but also because of unsatisfactory distribution. The cost of living has nearly doubled since the outbreak of the war. In April 1944, for example, the index of living costs stood at 301 compared with the monthly average of 100 during 1934. Based on prices of bread, milk, meat, corn, tortillas, lard, beans, sugar, pulque, eggs, coffee, and pastes for soup, the food index that month stood at 288, while that for clothing was 379, and for household articles 310.

Recent trends in prices of individual foods are well illustrated by the indices of retail prices in Mexico City. Compared with the monthly average of 100 for 1930, the April 1944 index for a commodity group including such products as rice, coffee, beans, chick peas, lima beans, lentils,

corn, and potatoes, was 213 as against 182 in December 1943. The index for fresh vegetables stood at 282 compared with 241 in December; that for processed foods - sesame-seed oil, sugar, flour, bread, pastes for soup, and tortillas - at 268 against 203 in December; and that for animal products including beef, pork, lamb, milk, lard, and cheese at 290 against 234 in December.

The marked upward spiral in retail food prices during the first 4 months of the year caused considerable concern among Government officials. In many localities, prices of essential articles were entirely out of reach of the poorer classes. While price increases were undoubtedly greater in the large cities than in the small towns, inflation also spread throughout the rural districts. The shortage of corn greatly aggravated the situation.

Various measures have been

adopted by the Government to control prices, to facilitate transportation of essential foods, and to provide adequate supplies. Included among them were ceiling prices; attempts to prevent hoarding, speculative and black-marketing activities; granting of priority by railroads on the movement of food supplies; limitations or outright prohibitions on the export of food products; negotiations for increased imports of foodstuffs; Governmental subsidies of one kind or another; and Governmental encouragement of expanded domestic food production. Many foodstuffs prices are now regulated by a semiofficial agency known as the Nacional Distribuidora y Reguladora.

Perhaps the most important single factor in Mexico's current food problem was the small corn crop of 1943 when only 70 million bushels were harvested. This compared with the record crop of 93 million bushels in 1942. The poor crop was attributed in part to a reduction in the area planted, in part to heavy drought damage, and in part to shifts to other crops.

Normally the country is self-sufficient for this basic staple in the diet of the Mexican people. Last year's crop, however, was below the quantity needed to supply the increased demands. The Government, therefore, took drastic measures to ease the situation, including official control of prices, stocks, and distribution. In addition, an intensive planting program was inaugurated. The program is aimed at expanding the 1944 acreage by at least 25 percent compared with that planted for 1943. Present indications are that this year's acreage may be above the average of the past 10 years but below the official goal.

The 1944 wheat crop, harvesting of which is now nearing completion,

has been estimated tentatively by the Mexican Government at 14,600,000 bushels compared with 15,800,000 bushels in 1943. Wheat consumption has been increasing steadily, and the domestic crop normally is supplemented by substantial imports, mainly from the United States, Canada, Argentina, and Australia. During the past 12 months there was a considerable substitution of wheat for corn because of the short corn supply. In order to meet the increased demand, record quantities of wheat had to be imported. Recent indications are that the supply situation is likely to remain tight for another 12 months, thus necessitating continued heavy imports.

The sugar supply situation constitutes another troublesome factor in the general food picture. Last year's production of 440,000 short tons proved insufficient to meet the rapidly growing domestic requirements. As a result, prices increased to unprecedented levels. The situation was aggravated further by inadequate transportation facilities, poor distribution, and other factors. The Government, therefore, placed an embargo on all exports of sugar and sugar products; made arrangements for building and maintaining a stock pile of sugar; and established a minimum production goal of 500,000 tons of sugar annually.

Some months ago a surplus of 27,000 to 33,000 short tons of beans were expected to be available for export during the early months of 1944. Indications now are, however, that the surplus will be absorbed entirely in Mexico itself, because of the scarcity and high prices of other essential foods, particularly corn and wheat. Estimates place the 1943 bean crop at 172,000 short tons compared with 204,000 tons in 1942. Beans are interplanted with corn to a great extent in Mexico and the two crops more or

less fluctuate together. In view of the plan to expand the corn acreage this year, the production of beans in 1944 probably will show some increase.

At least until recently, rice, along with beans, has been one of the few commodities in Mexico for which there has been a surplus. The 1943 crop is now estimated at 5,634,000 bushels of rough rice compared with 5,486,000 bushels in 1942. Despite the fact that the 1943 crop was one of the largest on record, the Government early in 1943 clamped down on exports. Because of the embargo it was expected that a surplus would be available for export by the end of 1943. Apparently, that did not prove to be the case because of increased consumption as a result of short supplies of wheat and corn. While the price has increased,

rice is still less expensive, relatively, than corn and wheat in most areas.

The situation with respect to meat supplies is slightly better than at this time last year. The grain shortage, however, is having its effect on livestock production, especially hogs. As with most of the other food products, one of the difficulties has been the shortage of transportation for moving cattle and other livestock from producing areas to large centers of population. Meat continues to be sold at very high prices. The Government is making a special effort in the case of meat to hold down prices and to alleviate black-market activities.

Based on reports from the American Embassy in Mexico, D.F.

LATE COMMODITY DEVELOPMENTS

GRAIN AND GRAIN PRODUCTS

UNITED STATES AND CANADA ARRANGE MUTUAL GRAIN HARVEST AID

Under special arrangements, effective July 7, temporarily suspending certain border-crossing formalities, Canadian threshing outfits will help harvest the Western Great Plains grain crops, while American machines and crews later will go to the Prairie Provinces.

Of the 1-billion-bushel wheat crop now in prospect for this season in the United States, about 536 million bushels are anticipated in the States that might reasonably be expected to utilize harvest help from the Canadian Prairie Provinces. In those three Provinces the 1944 intentions to plant indicated an increase of about 22 percent over the wheat acreage planted in 1943, and the current crop condition is above average.

In 1943 the Prairie Provinces produced 294 million bushels of wheat, and 602 million of barley, oats, and rye.

Canadian threshing outfits may remain in the United States until September 15 under this season's arrangement. United States machines and crews may enter Canada when their services are required, but may not remain longer than December 31. In their announcements of the plan, the Governments of both countries point out that a similar arrangement will be in operation for each wartime grain-harvesting season. It has also operated during each of the past two seasons, following an announcement at the White House on April 10, 1942. The Department of Agriculture, the War Food Administration, the Immigration Service, the Customs Service, the Department of State, and the Canadian Government are all cooperating to implement the provisions with respect to grain-harvesting machinery and labor.

UNITED STATES DUTY-FREE IMPORTATION PERIOD EXPIRES

The duty-free importation of certain grains and feed products into the United States, which has been in effect since December 23, 1943, lapsed on June 19, 1944, the end of the second 90-day period. With the expiration of the duty-free period, the import duty again became effective on June 20, 1944, for the respective grain and feed items covered by the special legislation.

The original act (Public Law 211) provided for the duty-free importation for a 90-day period of "wheat, oats, barley, rye, corn, flax, cottonseed, or hay, or products in chief value of one or more of the foregoing or derivatives thereof," to be used for livestock and poultry feed. Wheat and rye for flour milling, flax and cottonseed for oil milling, oats for food purposes, and barley for malting were not considered eligible for duty suspension by the Bureau of Customs, inasmuch as the Act provided that the products specified were "to be used as, or as a constituent part of, feed for livestock and poultry."

The 90-day period expiring March 22, 1944, was extended for an additional 90 days, i.e., through June 19, by Public Law 272. This legislation differed from the earlier Act in that flaxseed and oats to be used for purposes of human consumption were specifically included "if the entry or withdrawal is after the date the paragraph takes effect."

COLOMBIA RELAXES WHEAT AND FLOUR IMPORT RESTRICTION

The Colombian Government on June 7 relaxed the existing limitations on wheat imports, and authorized the importation of 6,000 metric tons (about 220,000 bushels) of wheat during the

next few months. At the same time, entry of 2,000 metric tons (22,500 barrels) of flour was authorized. Both resolutions were considered as temporary measures only, but necessary because of the extreme scarcity of wheat and flour in parts of the country.

Previous legislation, in effect since December 1942, limited wheat imports to 16,000 tons in any calendar year. During the first 4 months of 1944, millers in the nonproducing coastal areas were licensed to import a total of 10,000 tons, but imports were prohibited for interior mills in the producing areas. During May, however, the Government modified its policy in order to alleviate the severe wheat shortage. The announced policy is to distribute the grain to mills in the wheat-producing districts if serious shortages exist, as well as in the wheat-deficit areas.

No specifications are made as to the quality of flour authorized for import, in contrast with a prior relaxation of the complete prohibition against imports, which provided only for flour having a minimum of 10 percent protein content. The quantity authorized is understood to be in addition to imports of the flour meeting the requirements for protein content. The flour will be distributed to merchants on a quota system based on population.

DRY WEATHER AFFECTS BRAZIL'S RICE CROP

The 1943-44 rice production in São Paulo, Brazil, is not expected to equal last year's crop because of dry weather, even though acreage planted was 20 percent above that of 1942-43 and the largest on record. Indications are that rice may be imported from Rio Grande do Sul in 1944. In that State a record crop was harvested.

ECUADORAN RICE CROP REDUCED

Low rainfall in Ecuador has affected the 1944 rice crop. While production will meet home requirements this year, the exportable surplus may be smaller than in 1943.

VEGETABLE OILS AND OILSEEDS

COLOMBIA TO DEVELOP PALM KERNEL RESOURCES

The wartime shortage of coconut and other hard oils has encouraged private interests in Colombia to complete their plans for development of the country's important palm-kernel resources. Investigations recently completed were concerned with the *Scheelea* palm which is found in groves over an area of 2 million acres in the northern coastal Provinces of Bolivar and Magdalena. Oil extracted from the kernel is similar in quality to babassu oil and is a satisfactory substitute for coconut and babassu oils normally used mainly in the manufacture of soap and vegetable shortening.

Production of *Scheelea* kernels, amounted to only 16.5 short tons in 1944, 232 tons in 1943, and 96 tons during the first 4 months of 1944. Further development of this industry depends primarily on the successful operation of a new nut-cracking machine reported to be capable of turning out 1,500 pounds of kernels daily. This machine is expected to be operating at full capacity by the end of August 1944 to supplement the quantities heretofore cracked entirely by rural families using hand tools. Tariff protection may be necessary in post-war years for continued expansion to a level of self-sufficiency. Annual imports of similar products normally consist of 7,000 to 10,000 tons of copra and 500 to 1,000 tons of various palm oils.

VEGETABLE OIL SUPPLIES IN CUBA DECLINE

Stocks of edible vegetable oils in Cuba were reduced in May, as consumption during the month was maintained at 2,000,000 pounds, whereas local production of peanut oil amounted to 1,200,000 pounds and imports totaled less than 5,000 pounds. Crushing of the domestic peanut crop was completed in May, and apparent stocks of all vegetable oils (about 9,700,000 pounds) on hand at the beginning of June were sufficient for nearly 5 months' requirements. Production of peanuts in 1944 is not expected to equal the record 1943 crop because of a reduction in acreage attributed to severe drought at planting time and a temporary labor shortage during the sugar-harvest period.

MEXICO INCREASES EXPORT DUTY ON SPECIFIED OILSEEDS

Effective May 15, 1944, Mexican export duties on certain oilseeds were increased. The rates are quoted in pesos per gross kilogram, with former duties shown in parentheses: Peanuts, unshelled 0.30 (0.25); peanuts, shelled 0.90 (0.25); sesame seed, in unspecified containers 0.40 (0.01). (One peso is now equivalent to 20.58 cents in United States currency.) These export duties are in addition to the export tax of 12 percent of a stated official valuation, subject to change monthly.

OLIVE OIL PRODUCTION IN PORTUGAL EXCEEDS EARLIER ESTIMATE

Production of olive oil from the 1943 olive crop in Portugal is now estimated at 90,000,000 liters (90,000 short tons) as compared with an earlier estimate of 80,000 tons for

1943-44 and 40,000 tons for 1942-43. This is the largest outturn of olive oil since 1937-38 when 107,000 tons were produced. Low yields normally follow high yields in alternate years, but the outlook for the 1944 olive crop, to be harvested late this year, is relatively good. Estimates based on crop conditions in May indicate the possibility of a 1944-45 oil extraction of 60,000 to 70,000 short tons.

MOZAMBIQUE ENFORCES OILSEED EXPORT REGULATIONS

Regulations governing the exportation of vegetable oilseeds from Mozambique, as announced in November 1939, are being maintained, according to a recent report from Lourenco Marques. The principal rules are as follows: (1) Each producer must establish a reserve for seed purposes each year which must be stored and maintained until the harvest of the new crop; (2) the mixing of seed of different crop years is prohibited; (3) export grades are established for all oilseeds, consisting of "extra" and "selected." The definition of the grade varies according to the oilseed.

Mozambique normally has a substantial export of vegetable oilseeds, consisting of copra, peanuts, sesame, castor beans, and generally small quantities of cottonseed, sunflower seed, cashew nuts, and other native

oilseeds. During the war the surplus oilseeds have been allocated by the Combined Food Board to European neutral countries.

EGYPTIAN FLAXSEED PRODUCTION MAINTAINED

Despite a slight decrease in Egyptian flaxseed acreage for the 1943-44 season, production equaled that of the previous year. Although harvesting was completed in April, no exports were reported up to June 1. This indicates that the total output may be retained to meet domestic requirements. The entire quantity produced in 1943, as well as several thousand bushels of imported flaxseed, was consumed within the country.

Wholesale prices of seed ranged from \$3.04 to \$3.25 per bushel during the early months of this year, compared with \$2.73 to \$3.15 in the same period of 1943.

EGYPT: Area and production of flaxseed, 1939-40 to 1943-44

YEAR	AREA	PRODUCTION
	<i>Acres</i>	<i>Bushels</i>
1939-40	10,249	115,269
1940-41	32,518	374,625
1941-42	53,535	542,725
1942-43	30,585	312,187
1943-44	29,727	312,187

Compiled from consular reports.

LATE REGIONAL DEVELOPMENTS

PROGRAM FOR POST-WAR AGRICULTURE IN THE UNITED KINGDOM

Representatives of British agriculture have reached agreement upon certain basic principles of a long-term post-war agricultural production policy. The program calls for prices that will yield a reasonable return to

producers, capital, and agricultural labor; an efficient and healthy British agriculture that will produce the foodstuffs which the country is best fitted to provide and which are most required to satisfy nutritional needs; and international and imperial cooperation in the "orderly regulation of production and marketing."

The statement, which represents agreement upon a broad common ground, was approved unanimously at a conference held in London, May 5, under auspices of the Royal Agricultural Society of England, and attended by delegates from the National Farmers' Union, and the Councils of Agriculture for England and Wales, land-owners, trade unions, and the Royal Agricultural Society. The heart of the unanimously approved policy is contained in the following statement:

"The fundamental purposes of long-term policy should be the proper use and management of the agricultural land of this country for the production of the foodstuffs which it is best fitted to provide and which are most required to satisfy nutritional needs, while maintaining the fertility of the soil, the raising of the standards of rural life, and the increase in the rural population.

"It is essential on national grounds that British agriculture should be maintained in a healthy condition, sufficiently prosperous to ensure a stable level of prices which will yield a reasonable return to the producer and on the capital employed in the industry, and a scale of wages sufficient to secure a standard of living comparable to that of urban workers.

"There should be a definite relation between the price level and costs of production. Mixed farming should be encouraged to ensure soil fertility and regular employment throughout the year. International and imperial cooperation must be secured in the orderly regulation of production and marketing as proposed in the Report of the Hot Springs Conference.

"In return for a guaranteed price level all owners and occupiers of rural land must accept an obligation to maintain a reasonable standard of good husbandry and good estate management

and submit to the necessary measure of direction and guidance subject to provisions for appeal to an impartial tribunal.

"The incidence of taxation should be such as will make it possible to plough back into the industry capital necessary for the provision and upkeep of fixed and movable equipment. Adequate credit facilities should be made available on as favorable terms as those enjoyed by other industries."

The above program is the synthesis of the common principles to be found in the post-war proposals formerly advanced by the National Farmers' Union, the Panel of Eleven Members of the House of Lords of various political views, the Royal Agricultural Society, the Council of Agriculture, farm labor organizations, and other groups.

The provision in the joint statement that the fundamental purposes of long-term policy should be the proper use and management of the agricultural land for the production of the foodstuffs that the country is best fitted to provide and that are most required to satisfy nutritional needs (etc.), was contained in a report of the Council of Agriculture, published in May of last year. The Council was set up under the Ministry of Agriculture and Fisheries Act, 1919, and is composed of (1) representatives of the County Councils and County Boroughs, and (2) persons nominated by the Minister of Agriculture and Fisheries representative of the several sections of agriculture (and horticulture).

POST-WAR PLANS FOR CANADIAN AGRICULTURE

Improvement in marketing facilities for agriculture by government encouragement of producers' cooperatives was emphasized in a recent report to the Canadian House of Commons by the

Agricultural Sub-Committee of its Special Committee on Reconstruction and Re-establishment.

The Committee also recommended that research on the utilization of all farm products be extended, that improved road and trucking facilities be developed, that national nutritional policies be established, and that research and vocational training in agriculture be extended.

It was also recommended that legislation similar to the Prairie Farm Rehabilitation Act be adopted for all of Canada; that land settlement be developed on properly soil-surveyed land; and that sub-marginal lands be withdrawn from use for crop production and set aside for reforestation, community pasture, or other suitable use.

With respect to credit the Committee recommended that farm credit

facilities be extended through the liberalizing of loan conditions under the Canadian Farm Loan Act, through the establishment of a Central Mortgage Bank, and by the encouragement of credit unions; and that provision be made in post-war housing schemes for the construction of homes for hired workers, and for assistance to farmers to build and improve farm dwellings and acquire labor-saving devices for the farm home.

It was also recommended that the Dominion Government give financial assistance toward the provision of electricity to rural areas and that the Dominion and Provincial Governments encourage the development of community cultural and recreational centers in rural areas by providing long-term low-interest loans to local cooperative associations.

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